

Date: December 19, 2001
W.I.: 12110
Referred by: POC
Revised: 01/30/02-C
07/27/05-C
04/26/06-C

ABSTRACT

Resolution No. 3434, Revised

This resolution sets forth MTC's Regional Transit Expansion Program of Projects.

This resolution was amended on January 30, 2002 to include the San Francisco Geary Corridor Major Investment Study to Attachment B, as requested by the Planning and Operations Committee on December 14, 2001.

This resolution was amended on July 27, 2005 to include a Transit-Oriented Development (TOD) Policy to condition transit expansion projects funded under Resolution 3434 on supportive land use policies, as detailed in Attachment D-2.

This resolution was amended on April 26, 2006 to reflect changes in project cost, funding, and scope since the 2001 adoption.

Further discussion of these actions are contained in the MTC Executive Director's Memorandum dated December 14, 2001, July 8, 2005, and April 14, 2006.

Date: December 19, 2001
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RE: Regional Transit Expansion Program of Projects

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 3434, Revised

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, MTC adopted Resolution No. 1876 in 1988 which set forth a new rail transit starts and extension program for the region; and

WHEREAS, significant progress has been made in implementing Resolution No. 1876, with new light rail service in operation in San Francisco and Silicon Valley, new BART service extended to Bay Point and Dublin/Pleasanton in the East Bay, and the BART extension to San Francisco International Airport scheduled to open in 2002; and

WHEREAS, MTC's long range planning process, including the Regional Transportation Plan and its *Transportation Blueprint for the 21st Century*, provides a framework for comprehensively evaluating the next generation of major regional transit expansion projects to meet the challenge of congestion in major corridors throughout the nine-county Bay Area; and

WHEREAS, the Commission adopted Resolution No. 3357 as the basis for assisting in the evaluations of rail and express/rapid bus projects to serve as the companion follow-up program to Resolution No. 1876; and

WHEREAS, local, regional, state and federal discretionary funds will continue to be required to finance an integrated program of new rail transit starts and extensions including those funds which are reasonably expected to be available under current conditions, and new funds which need to be secured in the future through advocacy with state and federal legislatures and the electorate; and

WHEREAS, the Regional Transit Expansion program of projects will enhance the Bay Area's transit network with an additional 140 miles of rail, 600 miles of new express bus routes, and a 58% increase in service levels in several existing corridors, primarily funded with regional and local sources of funds; and

WHEREAS, MTC recognizes that coordinated regional priorities for transit investment will best position the Bay Area to compete for limited discretionary funding sources now and in the future; now, therefore, be it

RESOLVED, that MTC adopts a Regional Transit Expansion Program of Projects, consistent with the Policy and Criteria established in Resolution No. 3357, as outlined in Attachment A, attached hereto and incorporated herein as though set forth at length; and be it further

RESOLVED, that this program of projects, as set forth in Attachment B is accompanied by a comprehensive funding strategy of local, regional, state and federal funding sources as outlined in Attachment C, attached hereto and incorporated herein as though set forth at length; and, be it further

RESOLVED, that the regional discretionary funding commitments included in this financial strategy are subject to the terms and conditions outlined in Attachment D, attached hereto and incorporated herein as though set forth at length; and, be it further

METROPOLITAN TRANSPORTATION COMMISSION

Sharon J. Brown, Chair

The above resolution was entered into by the
Metropolitan Transportation Commission
at a regular meeting of the Commission held
in Oakland, California, on December 19, 2001.

ATTACHMENT A - Regional Transit Expansion Policy Criteria Evaluation Matrix

			Resolution 1876-Tier 1	TEA-21 Funds	TCRP	Dedicated Local Funding	Operations/ Maintenance	Supportive Land Use		Cost- Effectiveness	System Connectivity			System Access	Project Readiness
Project	Sponsor	Project Cost 2001 \$ Millions	prior 1876 Tier 1 commitment	TEA-21 authorization or other federal appropriations	TCRP or other state level commitments	Local funds as a percent of total capital cost	Demonstrated operating plan	Residential densities around stations	Employment densities around stations	Cost per new transit rider	# connecting operators	Frequency	Regional gap closures	# of modal access options	# of pre-construction activities completed or in progress
BART to Warm Springs	BART	\$ 634	Yes	Yes	Yes	H	Yes	M	M	M	M	H	No	H	M
BART: Warm Springs to San Jose	VTA	\$ 3,710	No	Yes	Yes	H	Yes	H	M	M	H	H	Yes	H	L
MUNI 3rd St. LRT Phase 2 - New Central Subway	SFCTA/Muni	\$ 647	No	Yes	Yes	M	Yes	H	H	L	H	H	No	H	H
BART/Oakland Airport Connector	BART	\$ 232	No	Yes	No	M	Yes	M	M	H	M	H	Yes	H	M
Caltrain Downtown Extension/Rebuilt Transbay Terminal	SFCTA	\$ 1,885	Yes	Yes	No	H	Yes	H	H	L	H	H	Yes	H	M
Caltrain Rapid Rail/Electrification	JPB	\$ 602	No	No	No	H	Yes	M	H	L	H	M	No	H	M
Caltrain Express: phase 1	JPB	\$ 127	No	No	Yes	L	Yes	M	H	H	H	M	No	H	H
Downtown East Valley: Light Rail and Bus Rapid Transit Phase 1 and 2	VTA	\$ 518	No	No	No	H	Yes	H	M	L	H	H	No	H	M
Capitol Corridor: Phase 1 Expansion	CCJPA	\$ 129	No	No	Yes	L	Yes	H	M	H	H	L	No	H	M
AC Transit Oakland/San Leandro Bus Rapid Transit: Phase 1 (Enhanced Bus)	AC Transit	\$ 151	No	No	No	L	Yes	H	H	H	L	H	No	H	L
Regional Express Bus Phase 1	MTC/Operators	\$ 40	No	No	Yes	L	Yes	-	-	H	M	-	Yes	H	H
Dumbarton Rail	JPB	\$ 129	No	No	No	H	No	M	M	L	H	L	Yes	H	L
BART/East Contra Costa Rail Extension	CCTA	\$ 345	No	No	Yes	L	No	-	-	-	-	-	-	-	L
BART/Tri-Valley Rail Extension	ACCMA	\$ 345	No	No	Yes	L	No	-	-	-	-	-	-	-	L
Altamont Commuter Express (ACE): service expansion	ACE	\$ 121	No	No	No	L	-	M	M	H	M	L	No	M	-
Caltrain Express Phase 2	JPB	\$ 330	No	No	No	H	-	M	H	-	H	-	No	H	-
Capitol Corridor: Phase 2 Enhancements	CCJPA	\$ 284	No	No	Yes	L	Yes	H	M	-	H	L	No	H	M
Sonoma-Marin Rail	SMART	\$ 200	No	No	Yes	L	No	L	M	-	H	L	No	H	L
AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur corridors	AC Transit	\$ 90	No	No	No	L	-	H	M	H	L	H	No	H	-

Note: "--" indicates that complete information is not available.

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Resolution No. 3357 Criteria: Definitions and Measurement

Financial Criteria:

Honor 1876 commitments: Priority assigned to those projects of the original seven “Tier 1” Resolution No. 1876 projects that do not yet have a defined and secured financial agreement.
Rating: “Yes” or “No”

TEA-21/federal reauthorization: Current federal financial support exists for the project, through TEA-21 authorizing language for New Starts funding, or other federal appropriation commitments.
Rating: “Yes” or “No”

TCRP/State commitments: Current state financial commitment is secured by the project, through Traffic Congestion Relief Program funds, or other existing state funding commitments.
Rating: “Yes” or “No”

Dedicated local commitments: Local financial commitment for the project, based on percentage of local funds to total capital costs.
Rating: “High”: Greater than 50%; “Medium”: 30% to 50%; “Low”: under 30%

Operations/Maintenance: Project can be maintained and operated once built, based on financial plans and policies submitted by the project sponsor, outlining sources and commitments of funds for the period of operations through the end of the RTP (2025) or for at least 10 years, whichever is longer. Any financial burden imposed by the transit expansion project may not undermine core bus service within the same system, especially that needed by transit dependent persons.
Rating: “Yes” or “No”

Performance Criteria:

Land Use: Evaluate potential system benefits accrued as a result of adjacent land uses along rail/bus corridors, based on year 2025 projected net residential and employment land use densities around planned stations or transit corridors.
Rating: “High”: urban or urban core/CBD; “Medium”: suburban; “Low”: rural or rural suburban, as measured below:

Net Population Density	Total Population/ Residential Area square miles	Net Employment Density	Total Employment/ Commercial Area square miles
Rural	< 5,000	Rural	< 5,000
Rural-Suburban	5,000-10,000	Suburban	5,000-20,000
Suburban	10,000-20,000	Urban	20,000-50,000
Urban	20,000-50,000	Urban Core	50,000-100,000
Urban Core	>50,000	Urban CBD	>100,000

Cost-effectiveness: “Cost per new rider”, measured as dollars per new rider (shifting from auto to transit; not transit to transit).

*Rating: “High”: \$0 - \$15/new rider; “Medium”: \$16 - \$30/new rider;
“Low”: over \$30/new rider*

Note: Resolution No. 3357 also provides for another measure of cost effectiveness: “transit user benefits” that will be incorporated into this analysis at a later date once the methodology is available from the Federal Transit Administration.

System Connectivity: Assess the interconnected relationship of the transit expansion and the existing transit network, through measures of connections, service frequency and gap closures.

Rating:

A. Number of Connecting Operators: “High”: 5 or more; “Medium”: 3 to 4; “Low”: 1 to 2

B. Frequency: Peak Period Headways: “High”: 10 minutes or less; “Medium”: 20 minutes to 11 minutes; “Low”: Greater than 20 minutes

C. Gap Closures: “Yes” or “No” for completion of a major closure in the regional network.

System Access: Determine the ability of users to easily access (via walking, biking, auto or transit transfers) the new extensions, based on number of modal access options

Rating: “High”: 4 or more; “Medium”: 3; “Low”: 1 to 2

Project Readiness: Priority assigned to projects that are able to proceed expeditiously to implementation, based on pre-construction activities completed or in progress as of December 2001.

Rating: “High”: corridor evaluation+environmental analysis+preliminary design and engineering; “Medium”: corridor evaluation+environmental analysis; “Low”: Sketch planning or corridor evaluation only.

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Regional Transit Expansion Policy: Recommended Program of Projects

PROJECT	COST (millions of 2006 \$)
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit	175
AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur corridors	68
BART/Oakland Airport Connector	350
Tri-Valley Transit Access Improvements to BART	464
East Contra Costa BART Extension (eBART)	407
BART to Warm Springs	686
BART: Warm Springs to San Jose/Santa Clara	4,792
Caltrain Express: Baby Bullet ** OPEN FOR SERVICE**	128
Caltrain Electrification	471
Caltrain Express: Phase 2	250
Transbay Transit Center	2,589
Capitol Corridor Expansion	96
Capitol Corridor: Phase 2 Enhancements	100
Regional Express Bus **OPEN FOR SERVICE**	102
MUNI Third Street Light Rail Transit Project - New Central Subway	1,187
Altamont Commuter Express (ACE): service expansion	219
Sonoma-Marin Rail	353
Dumbarton Rail	313
Downtown to East Valley: Light Rail and Bus Rapid Transit Phase 1 and 2	573
Expanded Ferry Service to Berkeley, Alameda/Oakland/Harbor Bay, Hercules, Richmond, and South San Francisco; and other improvements.	180

ATTACHMENT C: Regional Transit Expansion Policy - Funding Strategy

(Project Capital Cost/Funding in Millions and 2006\$)			Committed Funding						Regional Discretionary Funding										
Project	Sponsor	Project Cost (2006 \$)	TCRP	Sales Tax	Resolution 1876	RTIP	Federal Earmarks	Other [see notes]	Section 5309 New Starts	Section 5309 Small Starts	Section 5309 Fixed Guideway Modernization	Ferryboat Discretionary	RM1	RM 2	AB 1171	ITIP	ITIP Intercity Rail	CARB/ AB 434	Capital Shortfall
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit	AC Transit	175		20		10	2	3		75				65					-
AC Transit Enhanced Bus: Grand-MacArthur corridor	AC Transit	68				7								9					52
BART/Oakland Airport Connector	BART	350		80		59		140					31	30		10			-
Tri-Valley Transit Access Improvements to/from BART	BART/ACCMA/LAVTA	464	25	23		57	11	8					16	65	95	164			-
East Contra Costa BART Extension (eBART)	BART/CCTA	407	5	119		14		6					52	96	115				-
BART to Warm Springs	BART	686	100	203	205	69							24	85					-
BART: Warm Springs to San Jose/Santa Clara	VTA	4,792	649	3,358		149			636										-
Caltrain Express: Baby Bullet	Caltrain JPB	128	127					1											-
** OPEN FOR SERVICE**																			
Caltrain Electrification	Caltrain JPB	471		308		28		12										29	94
Caltrain Express: Phase 2	Caltrain JPB	250		140												44			66
Transbay Transit Center	TJPA	2,589		301		26	67	444					53	150	150				1,398
Capitol Corridor Expansion	CCJPA	96						14									82		-
Capitol Corridor: Phase 2 Enhancements	CCJPA	100				2		50						13			35		-
Regional Express Bus																			
OPEN FOR SERVICE	MTC	102	40											62					-
MUNI Third Street Light Rail Transit Project - New Central Subway	Muni	1,187	14	126		83			625										339
Altamont Commuter Express (ACE): service expansion	SJRRRC, ACCMA, VTA	219		40				8			5						16		150
Sonoma-Marin Rail	SMART	353	37	24			7	28						35					222
SMTA, ACCMA, VTA, ACTIA, Capitol Corridor																			
Dumbarton Rail		313		117		15								135			46		-
Downtown to East Valley: Light Rail and Bus Rapid Transit Phase 1 and 2	VTA	573		573															-
Expanded Ferry Service to Berkeley, Alameda/Oakland/Harbor Bay, Hercules, Richmond, and South San Francisco; and other improvements.	WTA	180		47			19					25		89					-
TOTAL		\$ 13,503	\$ 997	\$ 5,479	\$ 205	\$ 518	\$ 106	\$ 714	\$ 1,261	\$ 75	\$ 5	\$ 25	\$ 176	\$ 834	\$ 360	\$ 218	\$ 179	\$ 29	\$ 2,321

Notes: For all projects, see Terms and Conditions.

Detail on 'other' funding is provided below:

- AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit: \$2.7 million is federal STP funds.
- BART/Oakland Airport Connector: \$27 million is Port of Oakland funds and \$113 million private financing.
- Tri-Valley Transit Access Improvements to BART: \$8 million in Tri-Valley impact fees.
- East Contra Costa BART Extension: \$6 million in developer fees. Note that \$150 million is included in Measure J for the project. Amounts not shown will be used to offset any cost increases or financing costs.
- BART: Warm Springs to San Jose/Santa Clara: New Starts request is \$750 million in Year of Expenditure dollars. Confirmation of RTIP commitment pending reconciliation by VTA between the Santa Clara county-wide plan and MTC's Transportation 2030.
- Caltrain Express: \$1 million is Joint Powers Board member contributions.
- Caltrain Electrification: \$12 million in regional STP/CMAQ funds.
- Transbay Transit Center: Other funds include \$439 million in land sales and tax increment revenue, and \$5 million in lease and transferrable development rights.
- Muni Third Street Light Rail Project: New Starts request is \$762 million in Year of Expenditure dollars.
- Capitol Corridor Expansion: Other includes \$3 million in STP/CMAQ funds, \$10 million in local funds, and \$0.5 million in Prop 116 funds.
- Capitol Corridor Phase 2 Enhancements: Other funds include contributions from ACE, UPRR, Port of Oakland, and Emeryville.
- ACE Service Expansion: Other includes \$8 million in San Joaquin federal fund contributions.
- Sonoma-Marin Rail: Other includes \$28 million in Prop. 116.

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Definitions and Assumptions of Regional Discretionary Funding

- Federal Section 5309 New Starts: the total shown is an estimate for the 25-year RTP period. This estimate trends against recent historical averages of the Bay Area's New Starts funding compared to the nation, an average of 7% over the last 10 years. This represents a target for advocacy in Washington, D.C.; actual authorizations and appropriations are at the discretion of Congress.
- Federal Section 5309 Small Starts: estimate for the 25-year RTP period, beginning with the federal reauthorization in 2005. Small Start Capital Grants may not exceed \$75 million under law. This represents a target for advocacy in Washington D.C.; actual authorization and appropriations are at the discretion of Congress.
- Federal Section 5309 Rail Modernization: These Federal Transit Administration formula funds are eligible for fixed guideway infrastructure projects. In the MTC region these funds are by policy devoted to capital replacement. The funding would replace diesel locomotives with electric locomotives when eligible for the Caltrain Electrification project.
- Federal Ferryboat Discretionary Program: estimate for the 25-year RTP period, beginning with the federal reauthorization in 2005; provides a special category for the construction of ferry boats and ferry terminal facilities. This represents a target for advocacy in Washington D.C.; actual authorization and appropriations are at the discretion of Congress.
- Regional Measure 1 Rail Reserve: the total shown is an estimate for the 25-year RTP period, net of existing commitments to the BART Warm Springs extension. These funds from the base \$1 Bay Bridge toll are directly allocated by the Commission to rail projects in the bridge corridor according to a statutory formula splitting the funds 70% to East Bay projects, and 30% to West Bay projects. This funding estimate assumes debt financing against this revenue stream.
- Regional Measure 2: Regional voter-approved measure providing \$812 million to Resolution 3434 projects. The specific amounts are identified in statute for each project. This funding estimate assumes debt financing against this revenue stream.

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- AB 1171: This is a discretionary funding source passed by the Legislature and signed by the Governor in October 2001. AB 1171 (Dutra) extends the \$1 seismic surcharge (the second half of the current \$2 auto toll) on the seven state-owned Bay Area toll bridges for up to 30 years to finance retrofit work. Under certain financing provisions, a portion of that toll revenue will return to MTC acting as the Bay Area Toll Authority (BATA). This funding can be used for projects consistent with the voter approved Regional Measure 1 program—including congestion relief projects in corridors served by some proposed transit expansion projects—and is estimated over the 25-year period of the RTP to total \$500 million based on debt financing; \$360 million of this amount is being assigned to the Regional Transit Expansion program of projects.
- Interregional Transportation Improvement Program: the total shown is an estimate for the 25-year RTP period; other ITIP funding is assumed for highway and other projects. . An additional estimate for the 25-year period is assumed for the state's Intercity Rail Plan, for Capitol Corridor, Dumbarton Rail, and ACE projects. As ITIP funds are the state's discretionary portion of the State Transportation Improvement Program, this represents a target for advocacy in Sacramento. Actual programming commitments and allocations are at the discretion of the California Transportation Commission.
- CARB/AB 434: Both the California Air Resources Board (CARB) and the Bay Area Air Quality Management District (AB 434) administer discretionary funding programs focused in whole or in part on reducing emissions from diesel engines. \$29 million is assumed from the two programs combined to help fund the Caltrain electrification project. This funding target for advocacy over the RTP period is sized to the annual funding levels of the two programs.

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Terms and Conditions

General Terms

1. Operating Funding – In order for an extension of service to be included in the Regional Transportation Plan (RTP), the project sponsor must provide evidence of its ability to fund operation of the service for a minimum of 10 years, or the duration of operations within the 25-year RTP time horizon, whichever is longer. These financial capacity determinations must also include a demonstration of the transit operator's ability to sustain levels of core bus services to low-income and minority populations, as required under MTC Resolution No. 3357. Should the transit operator's financial stability deteriorate, or the expansion project in question experience significant cost increases, these financial capacity determinations will be revisited in MTC's review of the operator's applicable Short Range Transit Plan.
2. Cost Increases – Commitments of regional discretionary funds (Section 5309 New Starts, Small Starts, and Fixed Guideway Modernization, Regional Measure 1 Rail Reserve, ITIP, AB 1171, CARB/AB 434, Regional Measure 2, Ferry Boat Discretionary) are capped at the amounts shown in Attachment C in 2006 dollars. Escalation adjustments will be made at the time funds are secured or allocated, except for bridge toll funds that are shown in year-of-financing dollars. Project sponsors are responsible for funding any cost increases (including financing costs) above the estimates shown in Attachment C from other sources. Funding shortfalls must be addressed for projects to be included in the Regional Transportation Plan.
3. Amendment – The Commission shall consider amending this regional transit expansion program following the passage of major new funding sources that could advance projects with current shortfalls into the RTP. New funding sources also could be used to offset cost increases for projects already included in the RTP.
4. Station Access Planning: Consistent with recommendations of MTC's Regional Bicycle Plan, all new transit stations that are built as result of Resolution No. 3434 investments must provide direct and convenient pedestrian and bicycle access from adjacent walkways and bicycle facilities. Station access planning shall be consistent with the conclusions reached from the evaluation of FSM 5 in the 2001 Bay Area Ozone Attainment Plan.

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Specific Conditions

1. Section 5309 New Starts – The region’s first priority for federal New Starts funds is the BART extension to San Francisco International Airport until such time that the project receives its final appropriation from Congress, currently expected in 2006. Thereafter, the BART Warm Springs to San Jose extension and the Muni Central Subway project will share equal priority.
2. Section 5309 Small Starts – The region’s priority for federal Small Starts funds is the AC Transit Oakland/San Leandro Bus Rapid Transit Project. Given that the regulations are still being finalized and that there are other projects in the region that may be eligible and have a demonstrated need for more secure funding, the Commission may consider endorsing one additional regional candidate project after FTA finalizes the regulations.
3. AB 1171 – These funds will be subject to terms and conditions established by MTC acting as the Bay Area Toll Authority (BATA) and are contingent upon the availability of excess toll revenue net of debt service. The balance of these funds not committed in Attachment C will be reserved as follows: \$100 million reserved for the north connector and weave correction components of the I-80/680 interchange project, and \$40 million for other congestion relief improvements in the Northern Bridge group—Antioch, Benicia-Martinez, Carquinez and Richmond-San Rafael — corridors. Should AB 1171 funds exceed \$500 million, the next increment up to \$60 million will also be reserved for Northern Bridge group corridor improvements. The next increment above the \$60 million will be distributed evenly between the East Contra Costa BART Extension (eBART) and Tri-Valley Transit Access Improvements to BART projects, not to exceed \$25 million each, in addition to the sums stipulated in Attachment C. Any increment above these amounts will be allocated at the discretion of the Commission.
4. BART Warm Springs to San Jose – In addition to the general terms for operating funding imposed on all projects, the BART Warm Springs to San Jose project is included in the RTP contingent upon approval by the BART and VTA Boards of an operating and maintenance agreement regarding extension of service into Santa Clara County and associated impacts of the extension on the core BART system. If a TDA “lien” is implemented pursuant to the BART/VTA agreement after 2009, MTC will condition allocation of the remaining TDA funds subject to the following:

At the time that the BART to San Jose extension commences revenue service, or at any point thereafter, should VTA’s bus service levels have not achieved, or later fall below, a

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600 fleet/500 peak target, then MTC shall hold public hearings at which VTA must demonstrate that services to Title VI communities have been assured, based on MTC's Lifeline Transportation analysis, as validated and amended by transit operators and the Congestion Management Agencies.

Should VTA choose to identify TDA funds as the guaranteed operating and maintenance subsidy pursuant to the BART/VTA agreement and demonstrate that it has secured other funding sources to replace the TDA revenue so guaranteed, then MTC shall not condition its allocation of TDA funds as described above.

5. Caltrain Electrification: Continued Commission support for a regional commitment of STP/CMAQ and CARB/AB 434 funds to the project is contingent upon the three JPB member agencies reaching agreement by December 1, 2007 on project scope and how to close the project's remaining funding shortfall.
6. Caltrain Express Phase 2: Before the next revision to Resolution 3434 or by the 2009 RTP, whichever occurs first, Peninsula JPB member agencies agree to define the member contributions for the funding plan.
7. Downtown to East Valley: Light Rail and Bus Rapid Transit: Before the next revision to Resolution 3434 or by the 2009 RTP, whichever occurs first, VTA will confirm their funding commitment through Measure A, or identify alternative revenue sources that may be requested to close any funding shortfall that could result should the Measure A expenditure plan not cover the entire cost.

**MTC RESOLUTION 3434 TOD POLICY
FOR REGIONAL TRANSIT EXPANSION PROJECTS**

1. Purpose

The San Francisco Bay Area—widely recognized for its beauty and innovation—is projected to grow by almost two million people and one and a half million jobs by 2030. This presents a daunting challenge to the sustainability and the quality of life in the region. Where and how we accommodate this future growth, in particular where people live and work, will help determine how effectively the transportation system can handle this growth.

The more people who live, work and study in close proximity to public transit stations and corridors, the more likely they are to use the transit systems, and more transit riders means fewer vehicles competing for valuable road space. The policy also provides support for a growing market demand for more vibrant, walkable and transit convenient lifestyles by stimulating the construction of at least 42,000 new housing units along the region's major new transit corridors and will help to contribute to a forecasted 59% increase in transit ridership by the year 2030.

This TOD policy addresses multiple goals: improving the cost-effectiveness of regional investments in new transit expansions, easing the Bay Area's chronic housing shortage, creating vibrant new communities, and helping preserve regional open space. The policy ensures that transportation agencies, local jurisdictions, members of the public and the private sector work together to create development patterns that are more supportive of transit.

There are three key elements of the regional TOD policy:

- (a) Corridor-level thresholds to quantify appropriate minimum levels of development around transit stations along new corridors;
- (b) Local station area plans that address future land use changes, station access needs, circulation improvements, pedestrian-friendly design, and other key features in a transit-oriented development; and
- (c) Corridor working groups that bring together CMAs, city and county planning staff, transit agencies, and other key stakeholders to define expectations, timelines, roles and responsibilities for key stages of the transit project development process.

2. TOD Policy Application

The TOD policy only applies to physical transit extensions funded in Resolution 3434 (see Table 1). The policy applies to any physical transit extension project with regional discretionary funds, regardless of level of funding. Resolution 3434 investments that only entail level of service improvements or other enhancements without physically extending the system are not subject to

TABLE 1
Resolution 3434 Transit Extension Projects Subject to Corridor Thresholds

Project	Sponsor	Type	Threshold is met with current development?
BART East Contra Costa Rail Extension	BART/CCTA	Commuter Rail	No
BART – Downtown Fremont to San Jose / Santa Clara (a) Fremont to Warm Springs (b) Warm Springs to San Jose/Santa Clara	(a) BART (b) VTA	BART extension	No
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit: Phase 1	AC Transit	Bus Rapid Transit	Yes
Caltrain Downtown Extension/Rebuilt Transbay Terminal	TJPA	Commuter Rail	Yes
MUNI Third Street LRT Project Phase 2 – New Central Subway	MUNI	Light Rail	Yes
Sonoma-Marin Rail	SMART	Commuter Rail	No
Dumbarton Rail	SMTA, ACCMA, VTA, ACTIA, Capitol Corridor	Commuter Rail	No
Expanded Ferry Service Phase 1: Berkeley, Alameda/Oakland/Harbor Bay, and South San Francisco to SF (<i>Note 1</i>)	WTA	Ferry	No
Expanded Ferry Service Phase 2: Alameda to South San Francisco, and Hercules, Antioch, Treasure Island, Redwood City and Richmond to SF (<i>Note 1</i>)	WTA	Ferry	No
<i>Note 1: The WTA Ferry Expansion "Corridor" for the purposes of the TOD policy consists of all new terminals planned in Phase 1 and Phase 2.</i>			

the TOD policy requirements. Single station extensions to international airports are not subject to the TOD policy due to the infeasibility of housing development.

3. Definitions and Conditions of Funding

For purposes of this policy “regional discretionary funding” consists of the following sources identified in the Resolution 3434 funding plan:

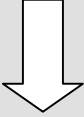

- FTA Section 5309- New Starts
- FTA Section 5309- Bus and Bus Facilities Discretionary
- FTA Section 5309- Rail Modernization
- Regional Measure 1- Rail (bridge tolls)
- Regional Measure 2 (bridge tolls)
- Interregional Transportation Improvement Program
- Interregional Transportation Improvement Program-Intercity rail
- Federal Ferryboat Discretionary
- AB 1171 (bridge tolls)
- CARB-Carl Moyer/AB434 (Bay Area Air Quality Management District) ¹

These regional funds may be programmed and allocated for environmental and design related work, in preparation for addressing the requirements of the TOD policy. Regional funds may be programmed and allocated for right-of-way acquisition in advance of meeting all requirements in the policy, if land preservation for TOD or project delivery purposes is essential. No regional funds will be programmed and allocated for construction until the requirements of this policy have been satisfied. See Table 2 for a more detailed overview of the planning process.

4. Corridor-Level Thresholds

Each transit extension project funded in Resolution 3434 must plan for a minimum number of housing units along the corridor. These corridor-level thresholds vary by mode of transit, with more capital-intensive modes requiring higher numbers of housing units (see Table 3). The corridor thresholds have been developed based on potential for increased transit ridership, exemplary existing station sites in the Bay Area, local general plan data, predicted market demand for TOD-oriented housing in each county, and an independent analysis of feasible development potential in each transit corridor.

¹ The Carl Moyer funds and AB 434 funds are controlled directly by the California Air Resources Board and Bay Area Air Management District. Res. 3434 identifies these funds for the Caltrain electrification project, which is not subject to the TOD policy.

TABLE 2 REGIONAL TOD POLICY IMPLEMENTATION PROCESS FOR TRANSIT EXTENSION PROJECTS		
Transit Agency Action	City Action	MTC/CMA/ABAG Action
<p><i>All parties in corridors that do not currently meet thresholds (see Table 1) establish Corridor Working Group to address corridor threshold. Conduct initial corridor performance evaluation, initiate station area planning.</i></p> 		
Environmental Review/ Preliminary Engineering /Right-of-Way	Conduct Station Area Plans	Coordination of corridor working group, funding of station area plans
<p><i>Step 1 Threshold Check: the combination of new Station Area Plans and existing development patterns exceeds corridor housing thresholds .</i></p>		
Final Design	Adopt Station Area Plans. Revise general plan policies and zoning, environmental reviews	Regional and county agencies assist local jurisdictions in implementing station area plans
<p><i>Step 2 Threshold Check: (a) local policies adopted for station areas; (b) implementation mechanisms in place per adopted Station Area Plan by the time Final Design is completed.</i></p> 		
Construction	Implementation (financing, MOUs) Solicit development	TLC planning and capital funding, HIP funding

**TABLE 3: CORRIDOR THRESHOLDS
HOUSING UNITS – AVERAGE PER STATION AREA**

Project Type Threshold	BART	Light Rail	Bus Rapid Transit	Commuter Rail	Ferry
Housing Threshold	3,850	3,300	2,750	2,200	750

Each corridor is evaluated for the Housing Threshold. For example, a four station commuter rail extension (including the existing end-of-the-line station) would be required to meet a corridor-level threshold of 8,800 housing units.

Threshold figures above are an average per station area based on both existing land uses and planned development within a half mile of all stations. New below market rate housing is provided a 50% bonus towards meeting housing unit threshold.

- Meeting the corridor level thresholds requires that within a half mile of all stations, a combination of existing land uses and planned land uses meets or exceeds the overall corridor threshold for housing (listed in Table 3);
- Physical transit extension projects that do not currently meet the corridor thresholds with development that is already built will receive the highest priority for the award of MTC's Station Area Planning Grants.
- To be counted toward the threshold, planned land uses must be adopted through general plans, and the appropriate implementation processes must be put in place, such as zoning codes. General plan language alone without supportive implementation policies, such as zoning, is not sufficient for the purposes of this policy. Ideally, planned land uses will be formally adopted through a specific plan (or equivalent), zoning codes and general plan amendments along with an accompanying programmatic Environmental Impact Report (EIR) as part of the overall station area planning process. Minimum densities will be used in the calculations to assess achievement of the thresholds.
- An existing end station is included as part of the transit corridor for the purposes of calculating the corridor thresholds; optional stations will not be included in calculating the corridor thresholds.
- New below-market housing units will receive a 50 percent bonus toward meeting the corridor threshold (i.e. one planned below-market housing unit counts for 1.5 housing units for the purposes of meeting the corridor threshold. Below market for the purposes

of the Resolution 3434 TOD policy is affordable to 60% of area median income for rental units and 100% of area median income for owner-occupied units);

- The local jurisdictions in each corridor will determine job and housing placement, type, density, and design.
- The Corridor Working Groups are encouraged to plan for a level of housing that will significantly exceed the housing unit thresholds stated here during the planning process. This will ensure that the Housing Unit Threshold is exceeded corridor-wide and that the ridership potential from TOD is maximized.

5. Station Area Plans

Each proposed physical transit extension project seeking funding through Resolution 3434 must demonstrate that the thresholds for the corridor are met through existing development and adopted station area plans that commit local jurisdictions to a level of housing that meets the threshold. This requirement may be met by existing station area plans accompanied by appropriate zoning and implementation mechanisms. If new station area plans are needed to meet the corridor threshold, MTC will assist in funding the plans. The Station Area Plans shall be conducted by local governments in coordination with transit agencies, Association of Bay Area Governments (ABAG), MTC and the Congestion Management Agencies (CMAs).

Station Area Plans are opportunities to define vibrant mixed use, accessible transit villages and quality transit-oriented development – places where people will want to live, work, shop and spend time. These plans should incorporate mixed-use developments, including new housing, neighborhood serving retail, employment, schools, day care centers, parks and other amenities to serve the local community.

At a minimum, Station Area Plans will define both the land use plan for the area as well as the policies—zoning, design standards, parking policies, etc.—for implementation. The plans shall at a minimum include the following elements:

- Current and proposed land use by type of use and density within the ½ mile radius, with a clear identification of the number of existing and planned housing units and jobs;
- Station access and circulation plans for motorized, non-motorized and transit access. The station area plan should clearly identify any barriers for pedestrian, bicycle and wheelchair access to the station from surrounding neighborhoods (e.g., freeways, railroad tracks, arterials with inadequate pedestrian crossings), and should propose strategies that will remove these barriers and maximize the number of residents and employees that can access the station by these means. The station area and transit village public spaces shall be made accessible to persons with disabilities.
- Estimates of transit riders walking from the half mile station area to the transit station to use transit;
- Transit village design policies and standards, including mixed use developments and pedestrian-scaled block size, to promote the livability and walkability of the station area;
- TOD-oriented parking demand and parking requirements for station area land uses, including consideration of pricing and provisions for shared parking;

- Implementation plan for the station area plan, including local policies required for development per the plan, market demand for the proposed development, potential phasing of development and demand analysis for proposed development.

The Station Area Plans shall be conducted using existing TOD design guidelines that have already been developed by ABAG, local jurisdictions, transit agencies, the CMAs and others. MTC will work with ABAG to provide more specific guidance on the issues listed above that must be addressed in the station area plans and references and information to support this effort. MTC is conducting an analysis of parking policies that will be made available when complete, and shall be considered in developing local parking policies for TODs.

6. Corridor Working Groups

The goal of the Corridor Working Groups is to create a more coordinated approach to planning for transit-oriented development along Resolution 3434 transit corridors. Each of the transit extensions subject to the corridor threshold process, as identified in Table 1, will need a Corridor Working Group, unless the current level of development already meets the corridor threshold. Many of the corridors already have a transit project working group that may be adjusted to take on this role. The Corridor Working Group shall be coordinated by the relevant CMAs, and will include the sponsoring transit agency, the local jurisdictions in the corridor, and representatives from ABAG, MTC, and other parties as appropriate.

The Corridor Working Group will assess whether the planned level of development satisfies the corridor threshold as defined for the mode, and assist in addressing any deficit in meeting the threshold by working to identify opportunities and strategies at the local level. This will include the key task of distributing the required housing units to each of the affected station sites within the defined corridor. The Corridor Working Group will continue with corridor evaluation, station area planning, and any necessary refinements to station locations until the corridor threshold is met and supporting Station Area Plans are adopted by the local jurisdictions.

MTC will confirm that each corridor meets the housing threshold prior to the release of regional discretionary funds for construction of the transit project.

7. Review of the TOD Policy

MTC staff will conduct a review of the TOD policy and its application to each of the affected Resolution 3434 corridors, and present findings to the Commission, within 12 months of the adoption of the TOD policy.